



Watsonville
CALIFORNIA

CITY COUNCIL AGENDA REPORT

MEETING DATE: Tuesday, July 8, 2025
TO: CITY COUNCIL
WRITTEN BY: SENIOR CIVIL ENGINEER SCHNEIDER
RECOMMENDED BY: PUBLIC WORKS & UTILITIES DIRECTOR LINDBERG
APPROVED BY: TAMARA VIDES, CITY MANAGER

SUBJECT: AWARD CONTRACT TO CANNON CORPORATION FOR CONSTRUCTION MANAGEMENT SERVICES ON THE WATER LINE REPLACEMENT BEACH ST, UNION ST, LINCOLN ST PROJECT, IN AN AMOUNT NOT TO EXCEED \$399,967

RECOMMENDATION:

Adopt a resolution awarding a professional services contract for construction management and inspection services for the Water Line Replacement Beach St, Union St, and Lincoln St Project, No. WA-25-14834, in an amount not to exceed \$399,967 to be paid from the Water Enterprise Fund, and authorize and direct the City Manager to execute said agreement.

BACKGROUND:

The City has a critical role in providing reliable water resources to existing residents and businesses by continuing the replacement of aging water mains. Staff recently bid and recommends that the Council award a construction contract for the Beach St, Union St, Lincoln St Main Line Replacement Project. During the construction phase, construction management and inspection services are needed to help ensure that infrastructure is installed properly, milestones and deadlines are met, public safety is continually upheld, and proper documentation is maintained throughout, which will help secure the integrity of construction for this important water main replacement project.

DISCUSSION:

In June 2024, a Request for Qualification Statements from Consulting Engineering Firms for On-Call Professional Engineering Services including Staff Augmentation, Design, Construction Management and Inspection was advertised. Statements of Qualifications were due July 11, 2024, at which time a total of

24 were received. The selection committee determined that 22 of those firms were qualified to provide on-call services for the variety of on-call services requested.

Cannon Corporation was selected from the list of qualified on-call Construction Management and Inspection firms for this particular main replacement project due to their specific experience related to the project's scope of work and their prior experience working with the City. Cannon's proposed construction management and inspection staff are very familiar with this type of project and will proactively work with City staff, the contractor, and the design engineer to anticipate project challenges before they impact the project cost, schedule, or quality of the finished product.

With this Project being located on a combination of busy arterial streets, including work within the Caltrans ROW, we understand that in addition to the installation of the improvements listed above, one of the key challenges of this project will be maintaining good public relations and minimizing the disturbance to motorists, businesses, and residents. Throughout construction of the project, Cannon will help ensure the contractor is meeting or exceeding the requirements of the contract, Caltrans encroachment permit, following approved traffic control plans, and any other contract requirements.

The City does not have sufficient in-house staff to provide the level of service required for this main replacement project, requiring support from consultant construction management and inspection experts. Staff therefore recommends that the City Council award an engineering consultant contract to Cannon Corporation, in an amount not to exceed \$399,967.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) DETERMINATION:

Approval of the professional services agreement is not a project pursuant to the California Environmental Quality Act (CEQA) because it can be seen with certainty based on substantial evidence in the record that the approval constitutes a government fiscal activity that does not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment. (CEQA Guidelines section 15378(b)(4).) Further, the approval is an administrative activity that would not have the potential to either (1) cause a direct physical change in the environment or (2) cause a reasonably foreseeable indirect physical change in the environment.

The CEQA determination for the water main replacement construction project itself is described in the construction contract award recommendation under a separate item before Council on this same meeting agenda. That project is exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15302 Class 2(c), because it involves the replacement of an existing public water utility pipeline with negligible or no expansion of capacity.

STRATEGIC PLAN:

Executing this consultant agreement is consistent with Strategic Plan goal:

Infrastructure & Environment

FINANCIAL IMPACT:

The total cost of this consultant agreement is not to exceed \$399,967. There is sufficient budget in the Water Enterprise Fund under budget account 913-7831-14834.

ALTERNATIVE ACTION:

No reasonable alternatives known.

ATTACHMENTS AND/OR REFERENCES (IF ANY):

None.